



March 11, 2002

REFERRALS TO LAW ENFORCEMENT

In the course of its daily work, VZ Security sometimes becomes aware of employee activities that may be unlawful. When a matter under investigation is likely to be a criminal act, it is the responsibility of the Security department, in conjunction with the Legal department, to determine whether the issue should be referred to Law Enforcement. Both the fGTE and fBA Security departments have policies that require significant criminal acts to be referred to law enforcement, wherever practical to do so. VZ Security proposes to continue this practice. Below are both the policy and the practice to be followed within Security.

REFERRAL TO LAW ENFORCEMENT POLICY

"It is the policy of Verizon Communications to refer to Law Enforcement, where practicable, individuals (employee or non-employee) who have committed criminal violations relating to Company service, customers, employees, revenues, cash and/or other properties."

SECURITY PRACTICE

Within the Security department, there must be guidelines for investigators to follow to assure that both the best interests of the corporation and the best interests of the community are considered. Many different situations occur involving criminal acts that potentially may be referred to Law Enforcement.

Emergency/Law Enforcement Initiated Matters

- ?? When Security or Local Management becomes aware of a serious unlawful act where prompt notification to Law Enforcement is necessary to protect life and/or property, Security will immediately contact Law Enforcement, or advise local management to immediately contact Law Enforcement, and assist in their investigation.
- ?? When Security is contacted by law enforcement and asked to assist in an investigation of possible criminal activity involving employees and/or company property, Security will do so to the extent allowed by law or statute.
- ?? When Security is notified of the impending arrest of an employee as a result of a law enforcement investigation, Security will work to avoid disruption to the business operation, while complying with legal process. Arrests of employees should not be made on company property whenever possible.
- ?? In the above situations Security will notify Legal, local management, and Public Affairs as soon as reasonably possible.

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Non-emergency Activities

- ?? When Security has investigated a matter involving a non-employee committing toll fraud, theft of service, or other intrusions to Verizon's network, and believes that the matter involves unlawful activity, it will refer the matter, if practical, to Law Enforcement.
- ?? When Security has investigated a matter involving employee misconduct that appears to involve unlawful activity:
 - a. Investigators will discuss with their Security Manager and Director the full details of the case, and what issues appear to be criminal violations.
 - b. The case will be evaluated for referral giving consideration to:
 - ?? Any legal obligation to refer
 - ?? Amount of loss involved
 - ?? Strength of evidence
 - ?? Deterrent value of referral
 - ?? Impact on the business
 - c. Directors will contact the following individuals to identify and discuss potential issues connected with the Law Enforcement referral.
 - ?? The Government Relations Senior Manager for the affected state
 - ?? The LOB Senior Manager for the affected state
 - ?? The LOB Human Resources VP
 - ?? The Legal counsel for the affected state, or Compliance counsel, if appropriate
 - d. Directors, after agreeing that the matter should be referred to Law Enforcement, will discuss the facts of the case, and all information gathered from step (c) above, with the Security VP, who will make the determination of whether the matter should be referred to Law Enforcement. If appropriate, Security will notify Public Affairs of the referral.

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